FCC Licenses IGH-LP, San Diego 397 Carryon Ridge Drive Bonila CA 91902

> Telephone 618-421-4208 Fax 619-421-4208

The Honorable Clarence (Larry) Irving, Jr.
Assistant Secretary for Communications and Information
U.S. Department of Commerce
14th Street and Constitution Avenue, N.W.
Room 4898
Washington, D.C. 20230

November 27, 1996

Dear Mr. Secretary:

Four years ago you, along with Congressman Markey and Vice President Gore, led the victorious effort to enact the Cable Television Consumer Protection and Competition Act of 1992. Ever since, hundreds of independent television programmers have anxiously anticipated implementation of the Act's leased access provisions, which were intended to ensure that the vertically and horizontally integrated cable television operators could not exploit their controlling position to monopolize the programming that could be received by cable consumers.

Unfortunately, the FCC's implementation and oversight of leased access has been shameful, and the cable companies are treating leased access programmers even worse today than they did in 1992. This is partly due to the inept regulations approved by the FCC, which have harmed the very people - independent programmers and consumers - that they were intended to assist. Frankly, this entire lease access exercise has been a charade, with the only winners being the cable companies.

Mr. Secretary, the information superhighway will remain a fantasy if its entrance ramps are impenetrable and its tollbooths are anticompetitive. The current lease access situation harms consumers and the entrepreneurs who are trying to reach them, and must be changed immediately.

In our particular situation in San Diego leased access costs a minimum of \$ 40,000 per month. Cox Cable have increased rates last November 15, 1996 and Southwestern cable followed suit. There is almost no minority representation for Asian-Americans here in San Diego because of the prohibitive cost of leased access to independent community programmers like ourselves.

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We urge you to communicate to the FCC that its mandate is to promulgate leased access regulations that effectuate a genuine outlet for independent programmers.

Thank you for your consideration and assistance in this urgent matter.

Sincerely,

Robert F. Posadas

K61GH-LP, San Diego



LANDMARK BROADCASTING KATA TV-60



DALLAS - MINDOFFE " TELEVISION FUR THE FAMILY

100 COVELO AVENEE P.O. BOX 7497 # FORT WORTH, TEXAS 76111 # \$17 335 \$666 # 800 438 6244 # FAX 817 335 2171

Senator Phil-Gramm
U.S. Senate
370 Russell Senate Office
Washington: D.C. 29510

November 27, 1996

Dear Senator Gramm:

Congratulations on your re-election! We have appreciated your response to the various issues Low Power Television (KATA TV-60 Dallas, Mesquits) owners in Texas are confronted with. Well, here's another issue we need your help with.

The Federal Communications Commission has delayed implementing the leased access provisions of the 1992 Cable Act. These laws were intended to ensure that, people like us, who are not financially affiliated with the enormous cable companies that control cable system access, would have reasonable opportunities for local cable system corriage. Just this past week we had a potentially hazardous event at one of the local high schools, all the major networks gave the incident a little more than 2 minutes on their evening news programs. We were on the site broadcasting in-depth updates until the situation was secured. Fifty per cent of the residents were unable to take advantage of our updates because the cable company (TCI) refuses to recognize us and or negotiate in a reasonable manner. The rates they posed to us exceeded our revenues. The FCC's lengthy delay in implementing Congress's mandate has been extraordinarily harmful to TV producers like us, as well as, the audiences we are trying to serve.

The 1992 leased access provisions, which notably were not repealed in the 1996 Telecommunications Act, were one of Congress's many responses to the increased concentration among cable system operators and the increased vertical integration between system operators and programmers. We have witnessed excessive cable discrimination against programmers that did not liave industry financial participation. Congress directed the FCC to develop regulations that would provide a realistic opportunity for unaffiliated programmers to crack the industry oligopoly and gain access to the viewing public. Unfortunately, is four years the FCC has yet to effectively implement Congress's mandate. In the interim the integrated cable companies are charging outrageous rates for access when they are providing it at all.

We will be contacting Mr. Steve McMillan of your office to follow up on your response to the FCC. Thank you again for representing the fine people of the Great State of Texas.

Sincerely,

Henry J McGinnis, P.E.
Owner KATA TV-60 - Delles, Mesquite

StogMedia, LLC.

P.O. Box 55887, Jackson, Ms.

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January 8, 1997

The Honorable Thad Cochran U.S. Senate 326 Russell Senate Office Building Washington, D.C. 20510

Dear Senator Cochran.

It was a pleasure being able to spend a few minutes alone visiting with you at church the other Sunday. It seems the only time we have an opportunity to even chat is at church or at the Byram Jitney Jungle. When we did chat, however, it did not seem the proper setting to discuss any political activities I may have an interest in, thus this letter.

The purpose of this letter is twofold. First, I would like to discuss with you and the national GOP leadership (possibly at a later date) how I see expanding the viewership of the GOPTV satellite show while helping the local business community promote their product or service. However, my idea can only be achieved if the FCC follows the intentions of Congress.

That brings me to the second matter. I would like to seek your office's support to ensure that the FCC does not cave into Ted Turner and John Malone, at the expense of small independent programer producers such as myself. At issue are both the rates and the degree of resistance the large cable system operators, such as TCI, Time Warner, Cox and others, direct on us as we seek "leased access" as mandated by Congress as part of the 1984 and 1992 Cable Acts.

I have spent the last 18 months (and far too much money) in creating an independent cable programming company that I anticipate will begin programming on Memphis Cablevision in early January. I am certain our mutual friend Jack would be proud. He was gone before I discovered "leased access" as a means of developing the equivalent of a local cable channel and I miss him. He would have loved it. I do not know whether you remember, or even knew, his friend Terry Keeter who was with the Meridian Star about the time you ran for Congress, but he is now with the Commercial Appeal in Memphis. He was one of Jack's supporters in getting to do his famous tabloids for some Memphis politicians. Yes, Jack would be underfoot and I would be enjoying his company. I miss him.

However, my effort to expand my programming to other cable systems may be stiffled by the FCC. The FCC has dragged its feet for more than four years in implementing the leased access provision of the 1992 Cable Act. Congress intended that this provision would ensure that programmers like me, who are not financially affiliated with the enormous cable companies, would have a <u>reasonable</u> opportunity to be carried on local cable systems. The FCC's

lengthy delay in implementing Congress' mandate has been extraordinarily harmful to programers like myself and the audiences we attempt to serve.

The 1992 leased access provision--which notably was not repealed in the 1996 Telecommunications Act--was one of the Congress's many responses to the increased concentration among cable system operators and programmers. Having witnessed excessive cable company discrimination against programmers that did not have industry financial participation, Congress directed the FCC to develop regulations that would provide a realistic opportunity for unaffiliated programmers to crack the industry oligopoly and gain access to the viewing public. Unfortunately, in four years the FCC has yet to effectively implement Congress' mandate. In the interim, however, the integrated cable companies have been charging outrageous rates for access or not even complying with the law.

While MSO's are overcharging the small independents for access, TCI head John Malone is warning the larger programmers that they need to quit charging the cable systems. Inside Media (a communications trade journal) ran a recent story headlined, "Malone Warns Cable Networks to Drop Carriage Fees." The story reported that John Malone, chairman, president and CEO of Tele-Communications Inc., offered a not-so-subtle warning to cable programmers during a panel discussion at the Western Cable Show. According to the article, Malone told programmers, "cut your programming costs or face possible changes concerning cable network carriage." Yet, at the same time under leased access, cable companies are reversing this procedure and charging the smaller programmer overpriced rates for channel carriage.

There have been other developments recently showing how far MSO's are willing to go to completely control cable programming. For instance, one only has to take notice of Malone's own TCI system dropping popular networks in favor of those his company has a financial interest in. Independents are not only struggling to have the MSO's comply with U.S. law, they are actually having to compete with programming owned and favored by the cable operators. It appears that the major MSO's in the country simply want to dismiss Congressional intent regarding leased access to satify their own self-serving interest. Senator Lott, it appears to me this was what Congress was trying to prevent when passing the provision on leased access.

I will be telephoning soon to follow up with the proper staff person, who I understand to be Mitch Kugler, on what steps can be taken to rectify this situation. Thanks for your consideration.

Sincerely,

Charles H. Stogner